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October 27, 2015

Regional Freedom of Information Officer Attn: Stephanie Kercheval U.S. EPA, Region 10 Office of Ecosystems, Tribal and Public Affairs 1200 6th Avenue ETPA-124 Seattle, WA 98101

Re: Quendall Terminals Superfund Site, generally

located at 4503 Lake Washington Boulevard

North, Renton, WA

Dear Freedom of Information Officer:

This is a request pursuant to the Freedom of Information Act for various records concerning the Quendall Terminals Superfund Site in Renton, WA. The requested records include all those concerning any materials, including oil, tar, asphalt, creosote, water gas tar, oil gas tar, and coal tar sent from entities or locations known as Honolulu Gas Works, Honolulu Gas Company, Ltd., or Gasco, Inc. to the facility then operated by Republic Creosoting Company or Reilly Tar & Chemical Company at the location now known as the Quendall Terminals Superfund Site.

Without limiting the generality of the preceding specification, records in response to this request include the following:

- 1. All records related to Honolulu Gas Works, Honolulu Gas Company, Ltd., and Gasco, Inc.;
- 2. All records that have been provided in response to the FOIA request tracking number EPA-R10-2015-003269, which, according to your FOIA Online website, was submitted by Lisa D'Aquila on January 15, 2015;
- 3. All records that have been provided to EPA by Lynn T. Manolopoulos or anyone else at Davis Wright Tremaine LLP concerning Honolulu Gas or Gasco as referenced in the attached letter from Lynn T. Manolopoulos to Alex Fidis, Office of Regional Counsel, U.S. EPA, Region 10 dated May 30, 2014; and
- 4. All records that have been provided in response to the FOIA request tracking number EPA-R10-2014-010073, which, according to your FOIA Online website, was submitted by Kathy Hipple on September 4, 2014.

Mayer Brown LLP

Stephanie Kercheval October 27, 2015 Page 2

I agree to be responsible for reasonable charges incurred in the search for or in reproducing requested records. Please notify me however before incurring more than \$500 in charges.

If you are unable to provide copies of any requested records, I respectfully request permission to inspect them in person. Should there be records responsive to this request that you are unable to provide because they are considered not subject to FOIA disclosure, or for other reasons, please provide a list of those records and the rationale for their exclusion.

Finally, please call me at (202) 263-3346 if you have any question.

Sincerely,

John S. Hahn

Enclosure

cc: Ted Yackulic

ATTACHMENT



Suite 2300 777 108th Avenue NE Bellevue, WA 98004-5149

Lynn T. Manolopoulos 425.646.6146 tel 425.646.6199 fax

lynnmanolopoulos@dwt.com

May 30, 2014

VIA ELECTRONIC MAIL

Alex Fidis
Office of Regional Counsel
U.S. Environmental Protection Agency
Region 10
1200 Sixth Ave
Suite 900 M/S ORC-158
Seattle, WA 98101

Re: Quendall PRPs – Hawai'i Gas

Dear Alex:

Altino Properties, Inc. ("Altino") and J.H. Baxter & Co. ("Baxter") appreciate the United States Environmental Protection Agency's ("EPA's") continuing efforts to identify and name potentially responsible parties ("PRPs") for the Quendall Terminals Superfund Site ("Quendall Site"). As discussed in my letter dated April 16, 2014, Altino and Baxter cannot move forward with the Quendall Site cleanup without full participation by all PRPs. EPA will select the Quendall Site remedy in the near future so it is critical that EPA identify and notify all PRPs for the Quendall Site as soon as possible. Altino and Baxter appreciate the action taken by EPA in sending the Department of Natural Resources ("DNR") and Puget Sound Energy ("PSE") PRP notice letters and requests for information pursuant to Section 104(e) of the Comprehensive Environmental Response, Compensation, and Liability Act ("CERCLA"), 42 U.S.C. § 9604(e). This letter requests that EPA send requests for information pursuant to Section 104(e) to an additional PRP, Hawai'i Gas.

During a meeting earlier this year and in subsequent e-mails, we provided EPA with information on The Gas Company, LLC, dba Hawai'i Gas ("Hawai'i Gas"), the apparent successor to Honolulu Gas (also known as "GasCo"). Honolulu Gas shipped substantial quantities of tar to the Quendall Site for up to a decade. Based on this information, we request that EPA send a 104(e) request to Hawai'i Gas at this time.

DWT 24191199v3 0032695-000004

I. Hawai'i Gas's Predecessor Supplied Tar to the Quendall Site

There is clear evidence that Honolulu Gas shipped tar to Reilly Tar & Chemical's ("Reilly's") plant at the Quendall Site. First, Reilly published a book entitled "Good Chemistry", which documents the history of the company and confirms Honolulu Gas sent tar to Reilly in Renton. Specifically, the book discusses the difficulty Reilly faced in acquiring tar after the Seattle Gas Company shut down its manufactured gas plant ("MPG"). The book states: "Rather than close the Renton plant, Reilly extended its life for more than a decade by signing a contract with Honolulu Gas Works to purchase water gas tar from the Hawaiian utility. Despite this effort, the Renton plant was closed in the 1970s." Attachment A is selected pages from Good Chemistry, including the page containing this statement. We would be happy to provide you with a copy of the entire book if that would be helpful.

Moreover, Ward Roberts, who worked as the superintendent and manager of Reilly's Quendall plant from 1950 to 1970, confirmed multiple times that Honolulu Gas supplied tar to Quendall after the closure of Puget Sound Energy's Seattle MGP. Mr. Roberts stated in a 1988 interview that Reilly contracted with Honolulu Gas from 1957 until 1966 or 1967. Attachment B is a copy of the notes from this interview with Mr. Roberts. Mr. Roberts recalled that tankers were used to ship oil to Honolulu and would return filled with tar for delivery to Reilly. *Id.* In a document titled "History of Reilly Tar Refinery at Quendall From 1914," included as Attachment C, Mr. Roberts again confirmed that "[f]rom 1957 to final closure in 1970 the plant ran on tars from points as distant as Honolulu and Pittsburgh." Finally, Attachment D is a copy of notes from a 1994 interview of Mr. Roberts by Hart Crowser, during which he stated that tars received from Honolulu Gas between 1957 and 1965 contained a higher quantity of "light ends." The Quendall Site is contaminated with such light aromatics (e.g., benzene).

In sum, the evidence suggests that Honolulu Gas was the primary supplier of tar to Reilly's plant at Quendall for as much as a decade.

II. Hawai'i Gas is the Apparent Successor to Honolulu Gas

Hawai'i Gas identifies itself as the operator of the MGP that sent tar to the Quendall Site. Attachment E is a copy of a timeline from Hawai'i Gas's website, which summarizes the company's corporate history and states that Hawai'i Gas began operating an MGP in the Iwilei area of Honolulu in May of 1905. The MGP site is currently being remediated and is commonly identified as the "former GasCo site." The GasCo site informational fact sheet included as Attachment F confirms that the "Honolulu Gas Company" began operating the MGP in May of 1905. Moreover, Hawai'i Gas claims on its website that it has been the only franchised gas utility on the state of Hawai'i since 1904, as shown on Attachment G. Thus, Hawai'i Gas identifies itself as the same entity that operated the Honolulu MGP and sent substantial quantities of tar to the Ouendall Site.

The timeline of Hawai'i Gas's corporate history suggests that Honolulu Gas became Hawai'i Gas through a series of name and ownership changes. Honolulu Gas Company was incorporated in 1904, as shown on Attachment H. Honolulu Gas changed its name to GasCo, Inc. in 1971, and merged into the Citizens Utilities Company ("Citizens") in 1997, as documented in Attachment I. In 2003, Citizens sold its Hawaiian gas division to K-1 USA Ventures, Inc. ("K-1"), as shown on the Securities and Exchange Commission documents included as Attachment J. After this sale, The Gas Company LLC (now doing business as Hawai'i Gas) was incorporated, as discussed in the business information included as Attachment K. In 2006, K-1 sold The Gas Company LLC to Macquarie Investment Holdings, Inc. ("Macquarie"), and Hawai'i Gas is still a wholly owned subsidiary of Macquarie. Excerpts from the purchase agreement between K-1 and Macquarie are included as Attachment L. In short, the entity known as Honolulu Gas has apparently become part of Hawai'i Gas through this series of transactions.

III. Hawai'i Gas is Liable as an Arranger at the Quendall Site

The same facts that support a conclusion that PSE is liable as an arranger under CERCLA for its predecessor's (Seattle Gas Company's) shipments of tar to the Quendall Site apply to Hawai'i Gas. Under CERCLA, "any person who by contract, agreement, or otherwise arranged for disposal or treatment . . . of hazardous substances . . . at any facility . . . containing such hazardous substances." 42 U.S.C. § 9607(a)(3). Seattle Gas Company's operations produced tar as a byproduct, which it disposed of by shipping it to Reilly's plant at the Quendall Site. The Honolulu Gas MGP similarly produced tar as a byproduct and shipped that tar to the Quendall Site. The available evidence suggests that there is no basis for distinguishing between the activities of Seattle Gas Company and Honolulu Gas. Thus, Hawai'i Gas is liable as an arranger and should be named a PRP for the Quendall Site just like PSE.

Based on the evidence available at this time, we recognize that EPA may decide to first send a CERCLA Section 104(e) request to Hawai'i Gas to confirm that it is the successor to Honolulu Gas, the entity that supplied tar to the Quendall Site. We ask that EPA send that request as soon as possible so that Hawai'i Gas's status as a PRP is confirmed and it can be compelled to participate as we move toward a final remedy.

May 30, 2014 Page 4

Thank you for your time and assistance in this matter. Please let me know if you have any questions or concerns.

Sincerely,

Davis Wright Tremaine LLP

Marolpoulos

Lynn T. Manolopoulos

Enclosures

cc:

Lynda Priddy Jim Hanken

Robert Cugini RueAnn Thomas